

IN THE BOARD OF SUPERVISORS
COUNTY OF SAN LUIS OBISPO, STATE OF CALIFORNIA

_____ day _____, 20__

PRESENT: Supervisors

ABSENT:

RESOLUTION NO. _____

RESOLUTION APPROVING AND ACCEPTING AN AGRICULTURAL OPEN-SPACE
AGREEMENT GRANTING AN OPEN-SPACE EASEMENT TO THE COUNTY OF SAN
LUIS OBISPO AND A COVENANT AND AGREEMENT BY BECKETT FAMILY
VINEYARDS, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY

The following resolution is now offered and read:

WHEREAS, the County of San Luis Obispo has been duly requested to approve and accept a certain grant and offer to dedicate to the County of San Luis Obispo as open-space that certain real property described in the Agricultural Open-Space Agreement Granting An Open-Space Easement To The County of San Luis Obispo and Covenant and Agreement attached hereto and made a part hereof; and

WHEREAS, the Director of Planning and Building by letter dated October 7, 2014, has duly recommended that the Board of Supervisors approve and accept such offer of dedication and covenant and agreement to the County of San Luis Obispo, and has further recommended that such action is consistent with the County's general plan.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED by the Board of Supervisors of the County of San Luis Obispo, State of California, as follows:

1. The Board of Supervisors finds and determines that the preservation of the land offered for dedication to the County of San Luis Obispo as open space in the attached agreement is consistent with the County's general plan; that preservation of the land as open space is in the best interest of the County because the land has certain agricultural conservation values and if retained in agricultural use has scenic value to the public, and the offer of dedication contained in said agreements contain appropriate covenants to that end; that it is in the public interest that the land be retained as open space because such land will help preserve the rural character of the area in which the land is located; and that approval of the above agreements are categorically exempt from the requirements of the California Environmental Quality Act.

2. The Agricultural Open-Space Agreement Granting An Open-Space Easement To The County Of San Luis Obispo and Covenant and Agreement, copies of which are attached hereto and incorporated by reference herein as though set forth in full, are hereby approved and the offer of dedication contained therein are hereby accepted by the County of San Luis Obispo and the Chairperson of the Board of Supervisors is hereby authorized and directed to execute said agreements on behalf of the County of San Luis Obispo.

3. The County Clerk is hereby authorized and directed to record the above agreements and a copy of this resolution in the office of the County Recorder of the County of San Luis Obispo, and file a copy of said agreements and resolution with the County Assessor of the County of San Luis Obispo.

Upon motion of Supervisor _____, seconded by Supervisor _____, and on the following roll call vote, to-wit:

AYES:

NOES:

ABSENT:

ABSTAINING:

the foregoing resolution is hereby adopted.

ATTEST:

Chairperson of the Board of Supervisors

Clerk of the Board of Supervisors

[SEAL]

APPROVED AS TO FORM AND LEGAL EFFECT:

RITA L. NEAL
County Counsel

By: 
Deputy County Counsel

Dated: October 10, 2014

STATE OF CALIFORNIA,)
) ss.
County of San Luis Obispo,)

I, _____, County Clerk and ex-officio Clerk of the Board of Supervisors, in and for the County of San Luis Obispo, State of California, do hereby certify the foregoing to be a full, true and correct copy of an order made by the Board of Supervisors, as the same appears spread upon their minute book.

WITNESS my hand and the seal of said Board of Supervisors, affixed this _____ day of _____, 20__.

(SEAL)

County Clerk and Ex-Officio Clerk of the Board
of Supervisors

By _____
Deputy Clerk.

RECORDING REQUESTED BY:

County of San Luis Obispo

AND WHEN RECORDED MAIL TO:

Clerk of the Board of Supervisors
County of San Luis Obispo
County Government Center
San Luis Obispo, CA 93408

APN 026-241-014

AGRICULTURAL OPEN-SPACE AGREEMENT GRANTING AN OPEN-SPACE
EASEMENT TO THE COUNTY OF SAN LUIS OBISPO

THIS AGREEMENT is made and entered into this ____ day of _____,
20__, by and between BECKETT FAMILY VINEYARDS, LLC, a California limited
liability company, hereinafter referred to as "Owner," and the COUNTY OF SAN LUIS
OBISPO, a political subdivision of the State of California, hereinafter referred to as
"County."

WITNESSETH:

WHEREAS, Owner is the record owner of certain real property (hereinafter
referred to as the "Owner's Property") located in the unincorporated area of County of
San Luis Obispo, State of California, which is more particularly described in Exhibit A
attached hereto and incorporated by reference herein as though set forth in full; and

WHEREAS, as a condition precedent to the approval of a final subdivision map
for Parcel Map CO 00-0237 by County for Owner's Property, Owner is required to enter
into an agreement with the County, on behalf of itself and its successors in interest,

whereby the Owner grants an open-space easement to the County for the benefit of the public, including the lots being created in said subdivision; and

WHEREAS, Owner intends that the restrictions contained in this agreement shall apply to that portion of Owner's Property (hereinafter referred to as the "Subject Property") which is more particularly described in Exhibit B attached hereto and incorporated by reference herein as though set forth in full; and

WHEREAS, execution of this agreement by Owner and County, and the subsequent performance of its obligations by Owner and his successors in interest, will satisfy the requirement for dedication of an open-space easement imposed by the County's general plan and land use regulations and by condition 3 of the conditions of approval of the tentative subdivision map referred to above; and

WHEREAS, the Subject Property has certain natural scenic beauty and important agricultural conservation values, and both Owner and County desire to preserve and conserve for the public benefit the great natural scenic beauty and the agricultural conservation values of said property of the Owner; and

WHEREAS, Owner is willing to grant to County the scenic use, as hereinafter expressed, of the land and thereby protect and preserve the agricultural and scenic values of the Subject Property by the restricted use of said property by Owner through the imposition of the conditions hereinafter expressed; and

WHEREAS, both Owner and County intend that the terms, conditions, and restrictions of the open-space easement granted in this agreement are in compliance with Government Code sections 51070 through 51097, inclusive, hereinafter referred to as the "Open-Space Easement Act of 1974," so as to be an enforceable restriction under the provisions of Revenue and Taxation Code section 422; and

WHEREAS, Owner has supplied County with a current title company preliminary title report listing all trust deed beneficiaries and mortgagees, if any, under prior recorded deeds of trust and mortgages on the Subject Property.

NOW, THEREFORE, in consideration of the premises and in compliance with the provisions of Government Code sections 51070 through 51097, inclusive, and in further consideration of the mutual promises, covenants, and conditions herein contained and the substantial public benefits to be derived therefrom, the parties hereto agree as follows:

1. Grant of open-space easement. Owner hereby grants to County, for the term specified in paragraph 8 below, an open-space easement in and to the Subject Property described above. The open-space easement granted herein conveys to County an estate and interest in the real property of the nature and character specified in the Open-Space Easement Act of 1974, which is subject to the express conditions and restrictions imposed herein upon the use of the property by Owner. To that end, and for the purpose of accomplishing the intent of the parties hereto, Owner covenants on behalf of himself, his successors and assigns with the County, its successors and assigns to do and refrain from doing, severally and collectively, upon the Subject Property, the various acts hereinafter mentioned.

2. Restrictions on use of the Subject Property. The restrictions imposed upon the use of the Subject Property by Owner and his successors in interest and the acts which Owner and his successors in interest shall refrain from doing, and permit to be done, upon the Subject Property are as follows:

(a) No buildings, structures, or other improvements, including non-agriculture related roads and driveways, shall be placed, constructed, or erected upon

the Subject Property except as otherwise authorized by the approved subdivision map referred to above.

(b) No advertising of any kind or nature shall be located on or within the Subject Property, except in connection with agricultural-related uses on the Subject Property and except for advertising related to the initial sale of the lots created by the final subdivision map referred to above.

(c) Owner shall not plant or permit to be planted any vegetation upon the Subject Property except for those qualifying agricultural land uses allowed for 40-acre parcels in the San Luis Obispo County Code – Title 22, Land Use Ordinance (Section 22.22.040) as follows:

Irrigated row crops, specialty crops, nurseries, field crops,
orchards and vineyards (examples: vegetables, strawberries,
cut flowers and flower seed, avocados, kiwi, other fruits and
nuts, wine grapes)

and

Irrigated pasture, grain and hay (examples: alfalfa, irrigated
grain and hay) and Dry Farm orchards, vineyards
and groundcover as necessary for erosion control.

(d) Except as necessary for agricultural and agricultural-related use of the Subject Property, the general topography of the landscape shall be maintained in its present condition and no grading, excavation, or topographic changes shall be made.

(e) No use of the Subject Property which will or does materially alter the landscape or other attractive scenic features of the property, other than those specified herein, shall be done or suffered.

(f) Owner shall not extract natural resources from the Subject Property, except for development of Owner's underlying water rights.

(g) Owner shall not cut timber, trees, or other natural growth, except as may be required for agricultural use of the Subject Property and fire protection, thinning, elimination of diseased growth, and similar protective measures.

(h) Except in connection with agricultural use, Owner shall not use the Subject Property or any portion thereof as a parking lot, storage area, or dump site or otherwise deposit or allow to be deposited on the Subject Property or any portion thereof, temporarily or otherwise, anything whatsoever which is not indigenous or natural to the Subject Property.

(i) Except in connection with agricultural use, Owner shall not cover or cause the Subject Property to be covered in whole or in part with any asphalt, stone, concrete, or other material which does not constitute natural cover for the land nor otherwise disturb the natural cover of the land unless otherwise authorized by the provisions of this agreement.

(j) No land division of a legal lot containing the Subject Property shall occur or be applied for by Owner or his successors in interest, nor shall Owner or his successors in interest, otherwise convey (other than under threat of condemnation) a portion of a legal lot containing the Subject Property less than the whole of the legal lot to one or more parties or convey a legal lot containing the Subject Property to two or more parties each of whom acquire title to less than the whole of said legal lot. Any such conveyance or transfer of a legal lot containing the Subject Property or a portion thereof by Owner or his successors in interest shall be considered null and void.

3. Reservations of use by Owner. Notwithstanding the provisions of paragraph 2 above, the following property rights in the Subject Property are excepted from this grant and are expressly reserved to Owner:

(a) The right to maintain all existing private roads, bridges, trails, and structures lawfully erected and maintained upon the Subject Property.

(b) The right to construct, develop, and maintain all roads, utilities, structures, and other improvements authorized by the approved final subdivision map referred to above, and any amendments or modifications thereto which may be approved by the County.

(c) The right to construct, develop, and maintain private water sources and water systems on the Subject Property for the use and benefit of the Subject Property and the lots authorized to be created by the approved final subdivision map referred to above.

4. Compliance with County regulations. Land uses permitted or reserved to Owner in this agreement are subject to and require compliance with all applicable County ordinances and regulations, including those regulating land use.

5. Construction of improvements. Owner shall not construct or permit the construction of any improvements on the Subject Property except as expressly reserved herein or as authorized in the Open-Space Easement Act of 1974. Provided, however, nothing contained in this agreement shall prohibit the construction of either public service facilities installed for the benefit of the Subject Property or public service facilities installed pursuant to an authorization of the Board of Supervisors of the County or the Public Utilities Commission.

6. No authorization for public trespass. The grant of easement contained herein and its acceptance by the County of San Luis Obispo does not authorize and is not to be construed as authorizing the public or any member thereof to trespass upon or use all or any portion of the Subject Property or as granting to the public or any member thereof any tangible rights in or to the Subject Property or the right to go upon or use or utilize the Subject Property in any manner whatsoever. It is understood that the purpose of this agreement is solely to restrict the uses to which the Subject Property may be put so that the property may be kept as near as possible in agricultural use for the benefit of the public, including the lots being created in the above subdivision.

7. Effect on prior easements. Nothing contained in this agreement shall limit or affect any easements that are of record and that have been heretofore granted by Owner on, over, under, or across the Subject Property or any portion thereof.

8. Duration of easement. The grant of easement to County contained in this agreement shall be effective when it has been approved and accepted by resolution of the Board of Supervisors in the manner required by law, and it shall remain in effect in perpetuity unless abandoned or otherwise terminated by the Board of Supervisors in accordance with the provisions of the Open-Space Easement Act of 1974. Provided, however, no easement shall be abandoned or otherwise terminated without first obtaining approval of a Minor Use Permit by the County authorizing such abandonment or termination.

9. Enforceable restriction. Upon acceptance of the open-space easement granted herein, the Subject Property shall be deemed to be "enforceably restricted" within the meaning of section 422 of the Revenue and Taxation Code and section 8 of Article XIII of the Constitution of the State of California.

10. Binding on successors in interest. This agreement shall be deemed an equitable servitude and a covenant running with the land described herein and shall be binding on the parties hereto and their heirs, assigns, and successors in interest. Any conveyance, transfer, or sale made by Owner of said property or any portion thereof shall be deemed to incorporate by reference, and be subject to, each of the provisions of this agreement.

11. Effect of waiver. County's waiver of the breach of any one term, covenant, or provision of this agreement shall not be a waiver of a subsequent breach of the same term, covenant, or provision of this agreement or of the breach of any other term, covenant, or provision of this agreement.

12. Judicial enforcement. Enforcement shall be by proceeding at law or in equity, either to restrain a violation or an attempted violation or by suit to recover damages against any person or persons violating or attempting to violate any covenant or restriction contained herein.

13. Law governing and forum selection. This agreement has been executed and delivered in, and shall be interpreted, construed, and enforced pursuant to and in accordance with the laws of the State of California. All duties and obligations of the parties created hereunder are performable in the County of San Luis Obispo, and a state court in such county shall be that forum for any action, or proceeding that may be brought, or arise out of, in connection with or by reason of this agreement.

14. Enforceability. If any term, covenant, condition, or provision of this agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way be affected, impaired, or invalidated thereby.

15. Notices. Unless otherwise provided, all notices herein required shall be in writing, and delivered in person or sent by United States first class mail, postage prepaid. Notices required to be given to County shall be addressed as follows: Director of Planning and Building, County of San Luis Obispo, County Government Center, Room 300, San Luis Obispo, California 93408. Notices required to be given to Owner shall be addressed as follows Beckett Family Vineyards, LLC, 2025 Nacimiento Lake Drive, Paso Robles, California 93446.


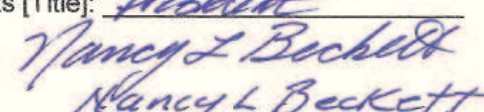

Provided that any party may change such address by notice in writing to the other party, and thereafter notices shall be addressed and transmitted to the new address.

16. Agreement to be recorded. Owner and County intend and consent to the recordation of this agreement in the office of the County Recorder of the County of San Luis Obispo, and such recordation of this agreement shall serve as constructive notice of the obligations contained herein to be performed by the Owner and the successors in interest to all or any portion of Owner's Property.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first above written.

OWNER

BECKETT FAMILY VINEYARDS, LLC

By: 
[Name]: Nancy L. Beckett
Its [Title]: President



- 9 -

COUNTY OF SAN LUIS OBISPO

By: _____
Chairperson of the Board of Supervisors

ATTEST:

Clerk of the Board of Supervisors

APPROVED AS TO FORM AND LEGAL EFFECT:

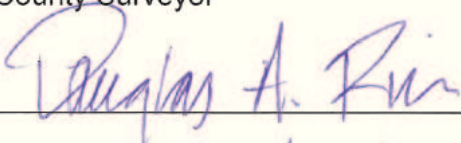
RITA L. NEAL
County Counsel

By: 
Deputy County Counsel

Dated: 9/8/14

LEGAL DESCRIPTION APPROVED AS TO FORM

DOUGLAS A. RION
County Surveyor


Dated: 9/5/2014

[NOTE: This Open-Space Agreement will be recorded. All signatures to this agreement must be acknowledged by a notary.]

STATE OF CALIFORNIA)
COUNTY OF SAN LUIS OBISPO) ss.

On _____, before me, _____, Deputy County Clerk-Recorder, County of San Luis Obispo, State of California, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

JULIE L. RODEWALD, County Clerk-Recorder and Ex-Officio Clerk of the Board of Supervisors

By: _____
Deputy County Clerk-Recorder

[SEAL]

EXHIBIT A

All of Parcel Map CO 00-0237 as shown on a map recorded in Book _____, Pages _____ through _____ inclusive of Parcel Maps, in the office of the County Recorder of the County of San Luis Obispo, State of California.

EXHIBIT B

Parcels 1 and 2 of Parcel Map CO 00-0237 recorded _____, 2014 filed in Office of the County Recorder, County of San Luis Obispo, State of California, in Book _____ at Page _____ of Parcel Maps, excepting therefrom the following described portions thereof:

Commencing at the Northeast corner of said Parcel 2, thence along the North line of said Parcel 2, North 89°01'28" West, a distance of 286.02 feet to the Northeast corner of said Parcel 1; thence along the North line of said Parcel 1, North 89°01'28" West a distance of 1417.43 feet; Thence leaving said North line of said Parcel 1, South 00°58'32" West, a distance of 106.75 feet to the True Point of Beginning (a);

Thence South 86°14'53" West, a distance of 350.99 feet;
Thence South 33°42'34" West, a distance of 91.38 feet;
Thence South 08°59'19" East, a distance of 92.83 feet;
Thence North 84°35'40" East, a distance of 89.77 feet;
Thence South 38°01'32" East, a distance of 209.81 feet;
Thence North 40°23'09" East, a distance of 31.68 feet;
Thence North 82°30'16" East, a distance of 46.29 feet;
Thence North 33°51'16" East, a distance of 132.22 feet;
Thence North 06°59'43" West, a distance of 119.05 feet;
Thence North 80°43'07" East, a distance of 65.31 feet;
Thence North 15°43'56" West, a distance of 81.89 feet to the True Point of Beginning (a).

Together with all that portion thereof described as follows:

Commencing at the Northeast corner of said Parcel 2, thence along the North line of said Parcel 2, North 89°01'28" West, a distance of 286.02 feet to the Northeast corner of said Parcel 1; thence along the North line of said Parcel 1, North 89°01'28" West, a distance of 1846.13 feet; Thence leaving said North line of said Parcel 1, South 00°58'32" West, a distance of 834.04 feet to the True Point of Beginning (b);

Thence South 28°52'18" East, a distance of 223.71 feet;
Thence North 63°30'06" East, a distance of 95.55 feet;
Thence South 30°46'05" East, a distance of 152.32 feet;
Thence North 63°49'16" East, a distance of 228.76 feet;
Thence North 27°06'50" West, a distance of 154.90 feet;
Thence North 41°16'00" East, a distance of 60.31 feet;
Thence North 48°44'00" West, a distance of 144.34 feet;
Thence North 85°24'34" West, a distance of 296.27 feet;
Thence South 19°30'17" West, a distance of 126.14 feet to the Point of Beginning (b).

Together with all that portion thereof described as follows:

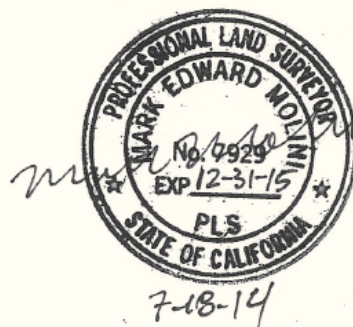
Commencing at the Northeast corner of said Parcel 2, thence along the North line of said Parcel 2, North 89°01'28" West, a distance of 286.02 feet to the Northeast corner of said Parcel 1; thence along the North line of said Parcel 1, North 89°01'28" West, a distance of 577.88 feet; Thence leaving said North line of said Parcel 1, South 00°58'32" West, a distance of 613.06 feet to the True Point of Beginning (c);

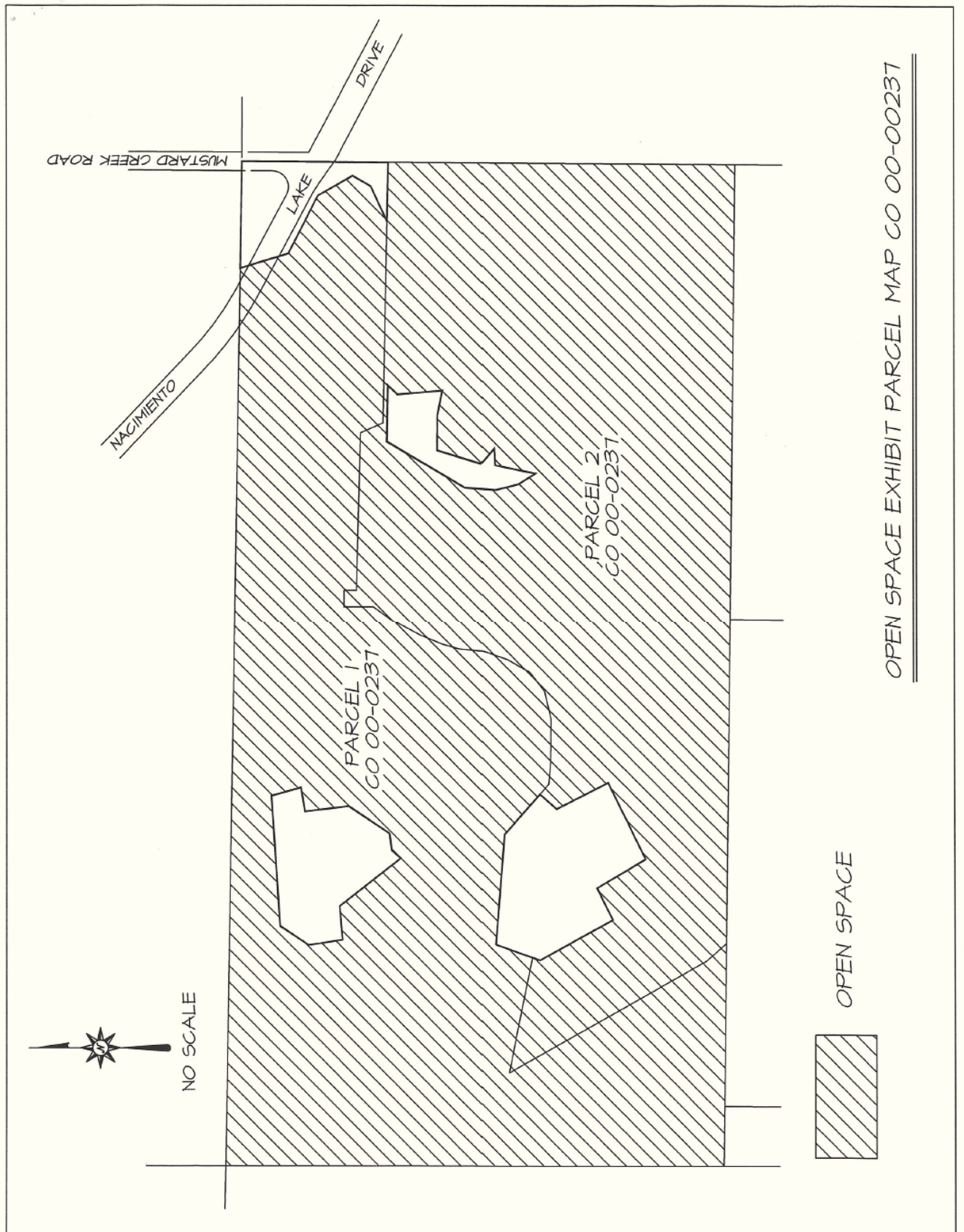
Thence South 04°16'38" West, a distance of 81.38 feet;
Thence South 13°55'13" West, a distance of 63.07 feet;
Thence South 32°20'11" East, a distance of 54.25 feet;
Thence North 11°30'58" East, a distance of 110.22 feet;
Thence North 86°59'40" East, a distance of 44.97 feet;
Thence North 49°03'13" West, a distance of 54.09 feet;
Thence North 17°08'14" East, a distance of 121.63 feet;
Thence South 89°49'41" East, a distance of 93.87 feet;
Thence South 78°29'40" East, a distance of 68.00 feet;
Thence North 04°59'03" West, a distance of 121.50 feet;
Thence North 44°18'51" East, a distance of 35.46 feet;
Thence North 88°51'42" West, a distance of 151.49 feet;
Thence South 30°29'10" West, a distance of 242.99 feet to the True Point of Beginning (c).

Together with all that portion thereof described as follows:

Beginning (d) at the Northeast corner of said Parcel 2, thence along the North line of said Parcel 2, North 89°01'28" West, a distance of 286.02 feet to the Northeast corner of Said Parcel 1;

Thence along the line common to said Parcels 1 and 2 South 17°01'37" East, a distance of 134.75 feet;
Thence South 62°48'27" East, a distance of 174.54 feet;
Thence South 29°40'29" East, a distance of 107.77 feet;
Thence South 30°18'16" East, a distance of 56.07 feet;
Thence South 64°44'27" West, a distance of 103.51 feet;
Thence South 88°46'43" East, a distance of 157.74 feet;
Thence North 00°18'26" West, a distance of 393.32 feet to the Point of Beginning (d).





REQUESTED BY:

County of San Luis Obispo

AND WHEN RECORDED MAIL TO:

Clerk of the Board of Supervisors
County of San Luis Obispo
County Government Center
San Luis Obispo, CA 93408

APN 026-241-014

SUBORDINATION AGREEMENT

NOTICE: THIS SUBORDINATION AGREEMENT RESULTS IN YOUR SECURITY INTEREST IN THE PROPERTY BECOMING SUBJECT TO AND OF LOWER PRIORITY THAN THE LIEN OF SOME OTHER OR LATER SECURITY INSTRUMENT. (THIS NOTICE REQUIRED BY CALIFORNIA CIVIL CODE SECTION 2953.3.)

The undersigned, beneficiary of the beneficial interest under those certain Deeds of Trust dated April 1, 2014, recorded April 10, 2014, as Document No. 2014-013846 of the Official Records in the Office of the County Recorder of the County of San Luis Obispo, State of California, does hereby join in, and consent to, each and all of the terms and provisions of the Agricultural Open-Space Agreement Granting An Open-Space Easement To The County Of San Luis Obispo entered into between Beckett Family Vineyards, LLC, and the County of San Luis Obispo, recorded concurrently herewith, and does hereby subordinate the interests of its Deed of Trust to the entire effect of the agricultural open-space agreement.

SIGNED AND EXECUTED this 9th day of May, 2014.

BENEFICIARY

Farm Credit West, PCA

By: Thomas McGuire

Name: Thomas McGuire

Title: SR Vice Pres.

[NOTE: This Subordination Agreement will be recorded. All signatures to this agreement must be acknowledged by a notary.]

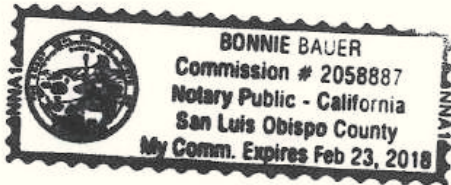
CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT
CIVIL CODE § 1189

State of California

County of San Luis Obispo }

On May 9, 2014 before me, Bonnie Bauer,
Date Here Insert Name and Title of the Officer

personally appeared Thomas McGwire
Name(s) of Signer(s)



Place Notary Seal Above

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: Bonnie Bauer
Signature of Notary Public

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: _____ Document Date: _____

Number of Pages: _____ Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

☐ Corporate Officer — Title(s): _____

☐ Partner — ☐ Limited ☐ General

☐ Individual ☐ Attorney in Fact

☐ Trustee ☐ Guardian or Conservator

☐ Other: _____

Signer's Name: _____

☐ Corporate Officer — Title(s): _____

☐ Partner — ☐ Limited ☐ General

☐ Individual ☐ Attorney in Fact

☐ Trustee ☐ Guardian or Conservator

☐ Other: _____

Signer Is Representing: _____

Signer Is Representing: _____

REQUESTED BY:

County of San Luis Obispo

AND WHEN RECORDED MAIL TO:

Clerk of the Board of Supervisors
County of San Luis Obispo
County Government Center
San Luis Obispo, CA 93408

APN 026-241-014

SUBORDINATION AGREEMENT

NOTICE: THIS SUBORDINATION AGREEMENT RESULTS IN YOUR SECURITY INTEREST IN THE PROPERTY BECOMING SUBJECT TO AND OF LOWER PRIORITY THAN THE LIEN OF SOME OTHER OR LATER SECURITY INSTRUMENT. (THIS NOTICE REQUIRED BY CALIFORNIA CIVIL CODE SECTION 2953.3.)

The undersigned, beneficiary of the beneficial interest under those certain Deeds of Trust dated April 1, 2014, recorded April 10, 2014, as Document No. 2014-013845 of the Official Records in the Office of the County Recorder of the County of San Luis Obispo, State of California, does hereby join in, and consent to, each and all of the terms and provisions of the Agricultural Open-Space Agreement Granting An Open-Space Easement To The County Of San Luis Obispo entered into between Beckett Family Vineyards, LLC, and the County of San Luis Obispo, recorded concurrently herewith, and does hereby subordinate the interests of its Deed of Trust to the entire effect of the agricultural open-space agreement.

SIGNED AND EXECUTED this 9th day of May, 2014.

BENEFICIARY

Farm Credit West, FLCA

By: Thomas McGuire
Name: Thomas McGuire
Title: Sr. Vice Pres

[NOTE: This Subordination Agreement will be recorded. All signatures to this agreement must be acknowledged by a notary.]

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT
CIVIL CODE § 1189

State of California

County of

San Luis Obispo

On

May 9, 2014

Date

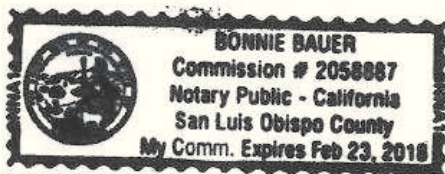
before me,

Bonnie Bauer, Notary Public
Here Insert Name and Title of the Officer

personally appeared

Thomas McGuire

Name(s) of Signer(s)



Place Notary Seal Above

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature:

Bonnie Bauer
Signature of Notary Public

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document:

Document Date:

Number of Pages:

Signer(s) Other Than Named Above:

Capacity(ies) Claimed by Signer(s)

Signer's Name:

☐ Corporate Officer — Title(s):

☐ Partner — ☐ Limited ☐ General

☐ Individual ☐ Attorney in Fact

☐ Trustee ☐ Guardian or Conservator

☐ Other:

Signer's Name:

☐ Corporate Officer — Title(s):

☐ Partner — ☐ Limited ☐ General

☐ Individual ☐ Attorney in Fact

☐ Trustee ☐ Guardian or Conservator

☐ Other:

Signer Is Representing:

Signer Is Representing:

RECORDING REQUESTED BY:

County of San Luis Obispo

AND WHEN RECORDED MAIL TO:

Director of Planning and Building
County of San Luis Obispo
County Government Center, Room 300
San Luis Obispo, California 93408

APN 026-241-014

COVENANT AND AGREEMENT RESTRICTING USE OF PROPERTY

THIS COVENANT AND AGREEMENT is made and executed on this ____ day of _____, 2014, by BECKETT FAMILY VINEYARDS, LLC, a California limited liability company, hereinafter referred to as "Owner." The COUNTY OF SAN LUIS OBISPO, a political subdivision of the State of California, hereinafter referred to as "County," is hereby made a party to this agreement for the purposes set forth below.

Owner hereby certifies that it is the record owner of certain real property (hereinafter referred to as "Owner's Property") located in the unincorporated area of the County of San Luis Obispo, State of California, more particularly described in Exhibit A attached hereto and incorporated by reference herein as though set forth in full.

Owner has prepared and filed a parcel map of tentative parcel map CO 00-0237 in the County of San Luis Obispo for approval by County.

As a condition precedent to the approval of said parcel map by County, Owner is required by condition 4 to enter into a covenant and agreement restricting the use of Owner's Property.

Execution of this covenant and agreement by Owner, and the subsequent

performance of its obligations by Owner and his successors in interest will satisfy the requirements imposed by said condition of approval of the tentative parcel map.

Owner has supplied County with a current title company preliminary title report listing all trust deed beneficiaries and mortgagees, if any, under prior recorded deeds of trust and mortgages on Owner's Property.

NOW, THEREFORE, in consideration of County approval of a parcel map for CO 00-0237 and the benefits conferred thereby on Owner and Owner's Property, the undersigned Owner does hereby covenant and agree to and with said County, to restrict the use of Owner's Property as follows:

(1) Development on the parcels created by this subdivision shall be limited to the one (current) primary single family residence on each parcel, and no additional primary residences, secondary dwellings, farm support or caretaker quarters shall be permitted on any of the parcels. Provided further, however, agricultural accessory structures are allowed outside the 30 acre vineyard (crop production) and open space easement areas on each parcel.

(2) This covenant and agreement shall run with the land and shall be binding upon the Owner, any future owners, their successors, heirs or assigns and shall continue in effect so long as the subdivided parcels exist or until this covenant and agreement is canceled by the authority of the County of San Luis Obispo. Cancellation shall be effective only upon recordation in the office of the San Luis Obispo County Recorder of a Notice of Cancellation of this covenant and agreement duly approved and signed by all parties hereto including the Board of Supervisors of the County of San Luis Obispo, or their successors in interest. The Owner agrees to notify all prospective purchasers, trust deed beneficiaries, or transferees of Owner's Property of the

restrictions contained herein and to include such restrictions as deed restrictions running with the land in any future deed conveying or encumbering Owner's Property. This agreement shall be entitled to the remedy of injunctive relief in addition to any other remedy in law or equity.

(3) This covenant and agreement and the provisions hereof are irrevocable and non-modifiable except by the written consent of all parties to this agreement, including the County of San Luis Obispo. The County of San Luis Obispo shall have the right to enforce each and every provision hereof and the parties agree that this agreement shall not be rescinded, revoked, modified or otherwise amended or changed, without the express written consent of the Board of Supervisors of the County first obtained.

(4) The Owner and his successors in interest agree to defend, indemnify and save harmless the County of San Luis Obispo, its officers, agents and employees from any and all claims, demands, damages, costs, expenses, judgments, or liability occasioned by the performance or attempted performance of the provisions hereof, or in anyway arising out of this agreement, including, but not limited to, those predicated upon theories of violation of statute, ordinance or regulation, violation of civil rights, inverse condemnation, equitable relief, or any wrongful act or any negligent act or omission to act on the part of the Owner or of agents, employees or independent contractors directly responsible to the Owner; providing further that the foregoing obligations to defend, indemnify and save harmless shall apply to any wrongful acts, or any passively negligent acts or omissions to act, committed jointly or concurrently by the Owner, the Owner's agents, employees, or independent contractors and the County, its agents, employees, or independent contractors. Nothing contained in the foregoing

indemnity provisions shall be construed to require the Owner to indemnify the County against any responsibility or liability in contravention of section 2782 of the Civil Code.

(5) Unless otherwise provided, all notices herein required shall be in writing, and delivered in person or sent by United States first class mail, postage prepaid. Notices required to be given to County shall be addressed as follows: Director of Planning and Building, County of San Luis Obispo, County Government Center, Room 300, San Luis Obispo, California, 93408. Notices required to be given to Owner shall be addressed as follows: Beckett Family Vineyards, LLC, 2025 Nacimiento Lake Drive, Paso Robles, California 93446.

Provided that any party may change such address by notice in writing to the other party and thereafter notices shall be addressed and transmitted to the new address.


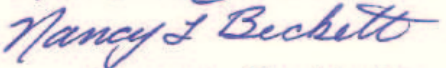
(6) Invalidation of any one of the restrictions contained herein by judgment or court order shall in no way affect any of the other provisions which shall remain in full force and effect.

(7) The undersigned Owner requests that this covenant and agreement be recorded in the office of the San Luis Obispo County Recorder, and such recordation shall serve as constructive notice of the restrictions and obligations contained herein to be performed and observed by Owner and the successors in interest to all or any portion of Owner's Property.

IN WITNESS WHEREOF, the Owner has executed this agreement as of the day and year first above written.

OWNER

BECKETT FAMILY VINEYARDS, LLC

By: 
[Name]: Douglas F. Beckett
Its [Title]: President

Nancy L. Beckett

APPROVED AS TO FORM AND LEGAL EFFECT:

RITA L. NEAL
County Counsel

By: 
Deputy County Counsel

Dated: 9/8/14

[Note: This Covenant and Agreement will be recorded. All signatures to this agreement must be acknowledged by a notary.]

6843ktstdagr.doc

ACKNOWLEDGMENT

State of California

County of San Luis Obispo

On 3-28-2014 before me, Tamatha L. Poe, Notary Public
(insert name and title of the officer)

personally appeared Douglas and Nancy Beckett,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are
subscribed to the within instrument and acknowledged to me that he/she/they executed the same in
his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing
paragraph is true and correct.

WITNESS my hand and official seal.

Signature Tamatha L. Poe (Seal)

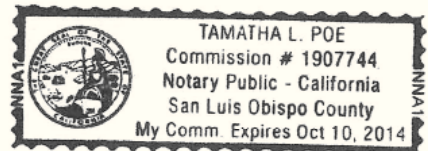


EXHIBIT A

All of Parcel Map CO 00-0237 as shown on a map recorded in Book _____,
Pages _____ through _____ inclusive of Parcel Maps, in the office of the County
Recorder of the County of San Luis Obispo, State of California.

REQUESTED BY:

County of San Luis Obispo

AND WHEN RECORDED MAIL TO:

Director of Planning and Building
County of San Luis Obispo
County Government Center, Room 300
San Luis Obispo, CA 93408

APN 026-241-014

SUBORDINATION AGREEMENT

NOTICE: THIS SUBORDINATION AGREEMENT RESULTS IN YOUR SECURITY INTEREST IN THE PROPERTY BECOMING SUBJECT TO AND OF LOWER PRIORITY THAN THE LIEN OF SOME OTHER OR LATER SECURITY INSTRUMENT BY BECOMING SUBJECT TO THE TERMS, COVENANTS, CONDITIONS, AND RESTRICTIONS OF THE BELOW COVENANT AND AGREEMENT RESTRICTING USE OF PROPERTY. (THIS NOTICE REQUIRED BY CALIFORNIA CIVIL CODE SECTION 2953.3.)

The undersigned, beneficiary of the beneficial interest under that certain Deed of Trust dated April 1, 2014, recorded April 10, 2014, as Document No. 2014-013845 of the Official Records in the Office of the County Recorder of the County of San Luis Obispo, State of California, does hereby join in, and consent to, each and all of the terms, covenant, conditions, and restrictions of the Covenant And Agreement Restricting Use Of Property entered into between Beckett Family Vineyards, LLC, and the County of San Luis Obispo, recorded concurrently herewith, and does hereby subordinate the interests of its Deed of Trust to the entire effect of the covenant and agreement.

SIGNED AND EXECUTED this 9th day of May, 2014.

BENEFICIARY

Farm Credit West, FLCA

By: Thomas McGwire
Name: Thomas McGwire
Title: Sr. Vice Pres

[Note: This Agreement will be recorded. All signatures to this agreement must be acknowledged by a notary.]

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of San Luis Obispo

On May 9, 2014 before me,

Here Insert Name and Title of the Officer

personally appeared

Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature:

Signature of Notary Public

Place Notary Seal and/or Stamp Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document:

Document Date:

Number of Pages:

Signer(s) Other Than Named Above:

Capacity(ies) Claimed by Signer(s)

Signer's Name:

Signer's Name:

☐ Corporate Officer — Title(s):

☐ Corporate Officer — Title(s):

☐ Individual

☐ Individual

☐ Partner — ☐ Limited ☐ General

☐ Partner — ☐ Limited ☐ General

☐ Attorney in Fact

☐ Attorney in Fact

☐ Trustee

☐ Trustee

☐ Guardian or Conservator

☐ Guardian or Conservator

☐ Other:

☐ Other:

Signer Is Representing:

Signer Is Representing:

REQUESTED BY:

County of San Luis Obispo

AND WHEN RECORDED MAIL TO:

Director of Planning and Building
County of San Luis Obispo
County Government Center, Room 300
San Luis Obispo, CA 93408

APN 026-241-014

SUBORDINATION AGREEMENT

NOTICE: THIS SUBORDINATION AGREEMENT RESULTS IN YOUR SECURITY INTEREST IN THE PROPERTY BECOMING SUBJECT TO AND OF LOWER PRIORITY THAN THE LIEN OF SOME OTHER OR LATER SECURITY INSTRUMENT BY BECOMING SUBJECT TO THE TERMS, COVENANTS, CONDITIONS, AND RESTRICTIONS OF THE BELOW COVENANT AND AGREEMENT RESTRICTING USE OF PROPERTY. (THIS NOTICE REQUIRED BY CALIFORNIA CIVIL CODE SECTION 2953.3.)

The undersigned, beneficiary of the beneficial interest under that certain Deed of Trust dated April 1, 2014, recorded April 10, 2014, as Document No. 2014-013846 of the Official Records in the Office of the County Recorder of the County of San Luis Obispo, State of California, does hereby join in, and consent to, each and all of the terms, covenant, conditions, and restrictions of the Covenant And Agreement Restricting Use Of Property entered into between Beckett Family Vineyards, LLC, and the County of San Luis Obispo, recorded concurrently herewith, and does hereby subordinate the interests of its Deed of Trust to the entire effect of the covenant and agreement.

SIGNED AND EXECUTED this 9th day of May, 2014.

BENEFICIARY

Farm Credit West, PCA

By: Thomas McGuire
Name: Thomas McGuire
Title: Sr. Vice Pres

[Note: This Agreement will be recorded. All signatures to this agreement must be acknowledged by a notary.]

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT
CIVIL CODE § 1189

State of California

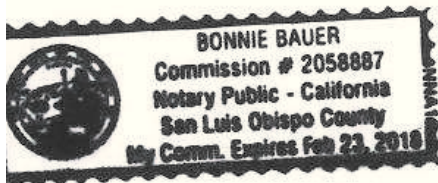
County of San Luis Obispo

On May 9, 2014 before me, _____
Date

Bonnie Bauer notary
Here Insert Name and Title of the Officer

personally appeared _____

Thomas McGuire
Name(s) of Signer(s)



Place Notary Seal Above

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: _____

Bonnie Bauer
Signature of Notary Public

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: _____ Document Date: _____

Number of Pages: _____ Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

- ☐ Corporate Officer — Title(s): _____
☐ Partner — ☐ Limited ☐ General
☐ Individual ☐ Attorney in Fact
☐ Trustee ☐ Guardian or Conservator
☐ Other: _____

Signer's Name: _____

- ☐ Corporate Officer — Title(s): _____
☐ Partner — ☐ Limited ☐ General
☐ Individual ☐ Attorney in Fact
☐ Trustee ☐ Guardian or Conservator
☐ Other: _____

Signer Is Representing: _____

Signer Is Representing: _____